



CITY COUNCIL AGENDA REPORT

MEETING DATE: NOVEMBER 15, 2011

ITEM NUMBER:

SUBJECT: GENERAL PLAN AMENDMENT GP-11-02 AND NORTH COSTA MESA SPECIFIC PLAN AMENDMENT SP-11-01 FOR SAKIOKA LOT 2 AT 14850 SUNFLOWER AVENUE

DATE: NOVEMBER 4, 2011

FROM: DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: CLAIRE FLYNN, AICP, ACT. ASST. DEVELOPMENT SVCS. DIRECTOR

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RECOMMENDATION

Pursuant to the Planning Commission's direction:

Adopt resolution to approve General Plan Amendment GP-11-02 and North Costa Mesa Specific Plan Amendment SP-11-01 for Sakioka Lot 2.

BACKGROUND

On September 20, 2011, City Council screened the merits of this proposal and authorized staff to process the General Plan Amendment and Specific Plan Amendment.

On October 10, 2011, Planning Commission adopted a resolution recommending City Council approval of the proposed project. The staff report can be found online at:

<http://www.ci.costa-mesa.ca.us/council/planning/2011-10-10/101011GP1102SP1101.pdf>

ANALYSIS

Sakioka Lot 2

Sakioka Lot 2 is a 33-acre site that is designated for future commercial and residential development. It is currently considered agricultural land for future development purposes. The site is designated Urban Center Commercial by the General Plan and is zoned PDC (Planned Development Commercial). (Attachment 1)

The General Plan and North Costa Mesa Specific Plan identifies the following development limits for the property:

- Maximum Floor Area Ratio of 0.50 for retail uses and 0.60 for office uses
- Maximum Building Square Footage of 863,000 sq.ft.
- Trip Budget of 1,062 AM peak hour trips and 1,407 PM peak hour trips

These documents can be found online at:

<http://www.ci.costa-mesa.ca.us/departments/CMPlanning.htm>

Proposed Amendments

The proposed project is a City-initiated proposal to amend the General Plan and North Costa Mesa Specific Plan to allow flexible development options on Sakioka Lot 2—without changing the trip budgets. Additional “housekeeping items” are also recommended for the Wyndham and Marriott Hotel sites.

The primary objective is to allow greater opportunities for different development options that would be consistent with the land uses envisioned for the North Costa Mesa area and would not involve any changes to the previously-adopted trip budgets for Lot 2. The amendment would allow market-driven forces to determine the development scenario while keeping the integrity of the maximum allowable trip budgets.

Currently, the General Plan/Specific Plan establishes maximum FAR and density limits. These limits, in consort with the maximum allowable trip budgets, are intended to restrict development intensity on Sakioka Lot 2. However, these limits may have an unintended effect of unnecessarily precluding different types of developments (i.e. various combinations of mixed-use development) which may not involve increased trips beyond the trip budgets.

The amended text will increase flexibility by removing FAR limits and capping density limits as shown in Table 1.

Table 1 – Proposed Amendment

Existing Maximum Development Limits	Proposed Amendment
SAKIOKA LOT 2	
Trip Budget (1,062 AM / 1,406 PM)	** NO CHANGE **
863,000 sq.ft. FAR	Establish 1.0 FAR limit to provide flexibility, while using trip budgets to limit development intensity.
.50 FAR for retail / 0.60 FAR for office	Remove FAR limits for mixed-use development and allow the retail/office mix to be driven by market forces.
20 dwelling units per acre for residential (includes affordable housing / density bonus)	Establish maximum 28 dwelling units per acre for residential component of a mixed-use development; No changes to the existing provisions for affordable housing / density bonus projects within independent residential communities

1.0 FAR Limit

The proposal establishes a maximum 1.0 FAR limit for nonresidential development. The original proposal screened by the City Council was to keep the FAR limits undefined and to allow market forces to determine the square footage of commercial development, subject to trip budgets. However, staff recommends (and the property owner has concurred with) specifying a maximum 1.0 FAR limit to be consistent with the other General Plan land use designations where an FAR limit is defined.

The context for comparing the 1.0 FAR can be found in the following:

- A maximum 1.0 FAR is established for the mixed-use overlay zone in the SoBECA and Westside Urban Plans.
- A maximum 1.77 FAR is allowed for South Coast Plaza Town Center.
- A maximum 1.67 FAR is allowed for the Segerstrom Center for the Arts.
- A maximum 1.55 FAR is allowed for Pacific Arts Plaza.

28 dwelling units per acre for Mixed-Use Development

The General Plan and North Costa Mesa Specific Plan promote future development of affordable housing on Sakioka Lot 2 by allowing a density bonus, resulting in a maximum 20 dwelling unit per acre density. There are no changes to the existing text with regard to the affordable housing requirements in independent residential communities (not mixed-use).

In a similar manner, the proposal promotes future mixed-use development by allowing a maximum 28 dwelling units per acre for residential projects within mixed-use developments.

The proposal makes important clarifications regarding the maximum allowable residential densities for mixed-use development and for independent residential communities. Additional clarifying text is added to distinguish residential development in a mixed-use development from independent residential communities. The distinction is that an independent residential community is a residential development that does not include commercial uses on the same site.

The context for comparing the proposed 28 dwelling units per acre density to other high density categories could be found as follows:

- General Plan allows maximum 20 dwelling units per acre density in High Density Residential category.
- Maximum 25 to 35 du/acre for Sakioka Lot 1 (The Enclave).
- Maximum 44 du/acre is allowed for the 3-acre Wyndham Hotel site.
- Maximum 125 du/acre is allowed for the 2-acre Lakes Pavilions site.

Justifications for Approval of GP and SP Amendments

The amended pages of the General Plan and Specific Plan are included in Exhibit "A" of each of the resolutions.

Staff recommends approval of these amendments for Sakioka Lot 2 for the following reasons:

- *Proposal would streamline the development review process for future development on Lot 2.* By modifying existing limits, the amendment would eliminate the need for a future major developer – with a project that is consistent with the land use and traffic constraints – to apply for a **site-specific** General Plan or Specific Plan amendment for their project. This will streamline the development process by removing development constraints for a development proposal that may be compatible with existing land uses and would be in conformance with the adopted trip budgets.
- *General Plan Amendment is a follow-up to similar changes adopted for the North Costa Mesa High Rise projects.*

In 2007 and 2008 for the North Costa Mesa high-rise residential projects, General Plan/Specific Plan amendments were adopted to allow development flexibility for different mixed-use projects, including high-rise residential projects with

commercial flex spaces. However, similar changes were not made for Lot 2 to allow more flexible development types.

Currently, the General Plan/Specific Plan sets a maximum square footage of 863,000 square feet and maximum FARs. At that time, these maximum limits did not take into account flexible development opportunities that build upon the interaction between the uses. There are several possible development scenarios that while could potentially exceed the maximum square footage, the expected number of trips are lower than the established trip budgets. Therefore, in order to maintain development flexibility, the existing FAR limits are not recommended.

- Proposal does not involve any changes to allowable traffic generation beyond the established trip budgets for Lot 2. The site has established trip budgets of 1,062 AM peak hour trips and 1,407 PM peak hour trips. The proposed development could be a mixed-use facility with a combination of retail/hotel/residential/office uses that cumulatively do not exceed the approved trip budgets. For example, a hotel with in-house convention facilities and restaurants will result in fewer trips on a per square-foot basis than a stand-alone hotel.
- Proposal would be implemented prior to the next review of the Sakioka Development Agreement. City Council adopted the Development Agreement in November 1990 and it will expire in 20 years (November 2019). Planning Commission completed the last annual review of the Sakioka Development Agreement in February 2011. Once the necessary amendments are adopted, the changes would be in place prior to the next review of the development agreement in February 2013. The proposal has no impact on the development agreement; no changes to the development agreement are proposed.

North Costa Mesa Specific Plan Amendment (Marriott and Wyndham Hotel)

As a "housekeeping item," the Planning Commission also recommended approval of a North Costa Mesa Specific Plan amendment to change the nonconforming provisions for the Marriott and Wyndham Hotel. A General Plan amendment is not required for these changes. This item will be brought forward for public hearing separately at a later date.

ENVIRONMENTAL DETERMINATION

The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City environmental procedures. The proposal does not make any significant changes to the development limitations in the North Costa Mesa Specific Plan with regard to trip budgets and development intensity. Therefore, the relevant environmental analysis contained in the following previously-approved environmental documents is still valid, and no further environmental review is required:

- North Costa Mesa High-Rise Residential Projects, SCH No. 2006011077, January 2007
- City of Costa Mesa General Plan Environmental Impact Report, SCH No. 2000031120, January 2002.

- South Coast Plaza Town Center EIR No. 1046, SCH No. 2000041100, March 2001.
- City of Costa Mesa Negative Declaration for the South Coast Metro Center: SCH No. 1999021095, April 2000.

SPECIFIC PLAN & GENERAL PLAN CONFORMITY

The proposed action promotes diversity of development options on the subject properties in conformance with the objectives of the North Costa Mesa Specific Plan and General Plan, including the following:

North Costa Mesa Specific Plan

- Recognize the development potential of the plan area and the need to sensitively integrate new development with the surrounding areas, and therefore, promote both resident and business community confidence in the long-term vision for the plan area.

Costa Mesa 2000 General Plan – Land Use Element

- *Objective LU-1B* - Ensure the long term productivity and viability of the community's economic base.
- *Objective LU-2A* -- Encourage new development and redevelopment to improve and maintain the quality of the environment.
- *Objective LU-1E* -- Ensure correlation between buildout of the General Plan Land Use Plan Map and the Master Plan of Highways.

ALTERNATIVES CONSIDERED

City Council has the following alternatives available for consideration:

1. *Adopt the General Plan and Specific Plan Amendments.* This would allow development flexibility on Sakioka Lot 2 without changing the trip budgets.
2. *Receive and File.* No further activity will occur on this proposal unless directed by the City Council at a future date.

FISCAL REVIEW

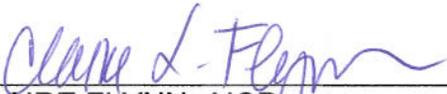
Fiscal review is not required.

LEGAL REVIEW

The City Attorney's office has approved the attached resolution as to form.

CONCLUSION

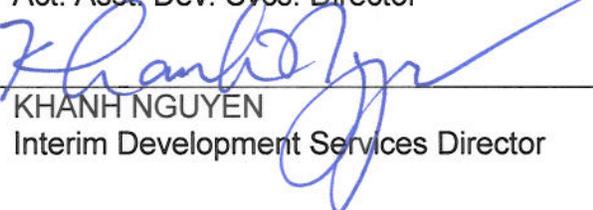
As the only large undeveloped parcel in the North Costa Mesa area, staff believes it is appropriate to initiate a General Plan and Specific Plan amendments to promote development flexibility for Sakioka Lot 2 without changing trip budgets. Similar amendments were adopted for the North Costa Mesa High Rise Residential projects in 2007 and 2008, which allowed greater development flexibility for residential and commercial flex spaces. These types of changes were not instituted for Sakioka Lot 2 at the time.



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- Attachments:
1. Vicinity Map
 2. GP Resolution/Exhibit A, Amended Text
 3. Specific Plan Resolution/Exhibit A, Amended Text

- cc:
- Chief Executive Officer
 - Assistant Chief Executive Officer
 - City Attorney
 - Public Services Director
 - Transportation Svcs. Manager
 - City Engineer
 - City Clerk
 - Staff (4)
 - File (2)

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